

(Washington, DC) - U.S. Representative Chet Edwards has successfully authored language to make Pay-As-You-Go budget policies permanent law, and return Congress to the fiscally responsible policies that led to budget surpluses in the 1990s. PAYGO policies were scheduled to end in 2013 under H.R. 2920, which passed the House today 265 to 166, before Edwards led the fight to make them permanent.

"I am proud to have led the fight to make this new pay-as-you-go bill a permanent law, not a temporary one. The pay-go principle makes sense for this Congress and for all future Congresses. Had it been made permanent in the 1990's, our national debt today would be trillions less and our children's future far brighter," said Edwards, a senior member of the House Budget Committee. "Adopting pay-go policies can be a critical part in reviving American's economy and getting the country back on its financial feet."

H.R. 2920, the Statutory Pay-As-You-Go Act 2009, requires Congress to adopt PAYGO as permanent law, and offset the costs of tax cuts or increases in entitlement spending with savings elsewhere in the budget to prevent increases in the deficit. If the net effect of all new legislation enacted during a session of Congress increased the deficit, there would be an across-the-board reduction in most mandatory programs.

"The pay-as-you-go principle is one that American families and businesses live by everyday. You don't spend money you don't have," said Edwards. "We have a moral obligation to reduce deficits and prevent our children from drowning in a sea of national debt."

In the 1990s with pay-go in effect, the federal government had a projected \$5.6 trillion surplus. When the Republican Congress discontinued the successful budgeting policy in 2002, the federal government went from a projected 10-year surplus of \$5.6 trillion to a deficit of \$4.5 trillion, an astounding \$10 trillion fiscal u-turn in just 7 years.

Edwards concluded, "Without pay-go policies in place the last 7 years, the largest surpluses in national history have turned into the largest deficits in history. For the good of our children and our country's future, it is time to correct that mistake and to see it never happens again."

"We cannot correct overnight the irresponsible fiscal decisions of the past decade, but with this pay-go bill as the permanent law of the land, we will begin the important process of reducing deficits and balancing the federal budget."

Edwards is a senior member of the House Budget Committee.

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